Disinvestment target

720. SHRIMATI JAMANA DEVI BARUPAL:

DR. T. SUBBARAMI REDDY:

Will the Minister of FINANCE be pleased to state:

(a) whether Government had fixed an ambitious target of Rs. 16,000 crore from disinvestment proceeds during 2004-05;

(b) if so, what was the target set for 2003-04 and to what extent it was achieved;

(c) whether Government was forced to halt disinvestment programme, specially through strategic sale in 2003, due to Supreme Court verdict on sale of HPCL and BPCL; and

(d) if so, the new changes being made in disinvestment policy in 2004?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM): (a) A sum of Rs. 4,000 crore is estimated as disinvestment proceeds in 2004-05;

(b)The target and the amount realised through disinvestment for the year 2003-04 were Rs. 14,500 crore and Rs. 15,547 crore respectively.

(c) The process of disinvestment in HPCL and BPCL was discontinued consequent on the judgement of the Supreme Court dated 16th September 2003.

(d) The new changes in the disinvestment policy in 2004 primarily are that:

(i) the existing 'Navaratna' companies will be retained in the Public Sector; and

(ii) generally, profit-making companies will not be privatised.

Profit of Banks

†721. SHRI P.K. MAHESHWARI: Will the Minister of FINANCE be pleased to state:

(a) the details of profit made by public sector banks;

(b) the details of profits made by banks in prviate sector;

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†Original notice of the question was received in Hindi.

(c) whether Government are taking appropriate steps to increase the profits of public sector banks which have lesser profits in comparison to that of private sector banks; and

(d) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM): (a) and (b) The operating profit of public sector banks and private sector banks was Rs. 29715.24 crores and Rs. 7238.69 crores respectively as on 31 st March 2003. The percentage of gross profit to total assets of public sector banks increased from 1.88% in 2001-02 to 2.31 % in 2002-03, over the same period it increased from 1.74 to 2.43% for the private sector banks.

(c) and (d) Steps taken or proposed to improve the functioning and profitability of the Nationalised Banks include enactment of laws to improve recovery of Non-Performing Assets; deregulation of Intercut rates; introduction of prudential norms; reduction in Statutotry Liquidity Ratio and Cash Reserve Ratio; and encouragement to Information Technology, Organizational Restructuring, improvement in human resource management and customer service, diversification in their lines of business, etc.

Budgetary support for social sector

†722. SHRIMATI MAYA SINGH: Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that many States have requested to consider gross budgetary support in the Central Budget for the success of several social sector schemes in their States;

(b) if so, the details thereof; and

(c) what is Government's reaction thereto?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM): (a) No, Sir.

(b) and (c) Does not arise.

†Original notice of the question was received in Hindi.